

Existing General Plan Triggers

- 5,000 jobs in North Coyote Valley
- Fiscal Stability/Health
 - 5 year budget forecast of balanced budget and/or surplus for each year
 - 1993 service levels
 - Budget stability with State

Background Information

What is a fiscal impact?

Taxes and fees generated from the Project
MINUS
On-going annual cost to service the Project
EQUALS
Fiscal surplus or deficit

****Fiscal impact analysis deals with on-going
O&M cost only, NOT capital costs**

Key Components of General Fund Revenues & Expenditures

- GF Revenues= taxes and fees (property tax, sales tax, utility tax, franchise fee, etc.)
- GF Expenditures = on-going service costs (fire, police, transportation, parks, library, etc.)

Purpose of the Study

- Determine if taxes generated by Coyote Valley development equal or exceed cost of municipal services
- Identify requirements for fiscal self sufficiency on on-going basis
- Assess fiscal implications of jobs-to-housing concurrency scenarios
- NOT a citywide budget forecast

Fiscal Dynamics of New Development

- Requires mostly new public facilities and service units
- Less ability to utilize existing service capacities
- May have different service levels than established areas of City
- Services go early, tax base grows over time
- Ability to create strong tax base with all new development, active markets, higher densities, mixed-use
- Opportunity to implement supplementary financing measures

Concurrency Scenarios

1. **Strict concurrency**: 2:1 jobs/housing from day one
2. **Phased concurrency**: up to 5,000 units, then no additional units until 10,000 jobs
3. **Trigger**: 5,000 jobs first, then market-based development
4. **Placemaking**: market-based development until major infrastructure in place, then 2:1 jobs/housing
5. **Employment jumpstart**: 3,000 jobs for 3,000 units; units cap at 10,000 until 15,000 jobs

Summary of Project Description

- 26,500 Housing Units
- 15.7 million SqFt of Workspace
- 1.6 million SqFt of Retail
- 71,600 residents
- 51,900 non-retail jobs
- 4,400 retail jobs
- 322 park acres (including trails)
- 53-acre lake

Overall Approach & Methodology

- Consider innovative service delivery models
 - Shared facilities, co-location, private contracts
- Case study approach
 - Department interviews
 - Project-specific values, absorption, etc.
- Average estimates
- Dynamic time-series model (Yrs 1 - 58)

Service Delivery Models and Cost Assumptions

Overall Cost Assumptions

- Historical rate of growth in costs
- Service levels at or above current citywide averages
- No private funding assumed

Fire Department

- Buildout service level
 - 63 fire fighters
 - 2 fire stations (each w/ an engine & truck)
- Timing of service
 - First station when population > 10% of buildout level
 - Second station when population > 36,000
- Major cost item: \$120,000 per fire fighter
- Buildout cost: \$14.6 million/year*

*In constant 2006 dollars, with 1% real appreciation